

January 17, 2007

Contact: Robin Winchell (202) 225-4031

WASHINGTON, DC- U.S. Rep. Charlie Melancon voted to make college more affordable and accessible by cutting the interest rate on subsidized student loans for undergraduates in half over the next five years - cutting the interest rate from 6.8% to 3.4%. Estimates show that over 68,000 students in Louisiana would benefit from this legislation, saving an average of \$2,160 to \$4,180 over the life of the loan, depending on when they start college. The bipartisan legislation overwhelmingly passed the House.

"The dream of earning a college degree should be within reach for any student who is qualified and willing to work hard to continue their education," Rep. Melancon said. **"The cost of tuition at most public universities has skyrocketed in recent years, putting college out-of-reach for more and more students. The College Student Relief Act will help make a college education a little more affordable for low- and middle-income students and their families and I am proud to vote for this bill."**

Rep. Melancon added, "Our economy depends on a highly-skilled and well-educated work force to remain strong. Making college more affordable will benefit all Louisianians in the long run by helping our state compete in a global economy."

The College Student Relief Act cuts the interest rate in half in five steps: from 6.8% to 6.12% in 2007; 5.44% in 2008; 4.76% in 2009; 4.08% in 2010; and 3.4% in 2011. The bill is fully paid for by making modest reductions in certain lender and guaranty agency subsidies in order to make the student loan program more efficient and effective for students and for American taxpayers. See attached fact sheet for more information on how the bill meets pay-as-you-go requirements.

###

Contact: Robin Winchell (202) 225-4031

